#### 216.102

216.402 Application of predetermined, formula-type incentives.

216.402-2 Technical performance incentives. 216.403 Fixed-price incentive contracts.

216.403-1 Fixed-price incentive (firm target) contracts.

216.403–2 Fixed-price incentive (successive targets) contracts.

 ${\bf 216.405} \ \ {\bf Cost\text{-}reimbursement} \ \ {\bf incentive} \ \ {\bf contracts}.$ 

216.405-1 Cost-plus-incentive-fee contracts.

216.405-2 Cost-plus-award-fee contracts.

216.405-2-71 Award fee reduction or denial for failure to comply with requirements relating to performance of private security functions.

216.405-270 Award fee reduction or denial for jeopardizing the health or safety of Government personnel.

216.406 Contract clauses.

216.470 Other applications of award fees.

### Subpart 216.5—Indefinite-Delivery Contracts

216.501-2-70 General.

216.504 Indefinite-quantity contracts.

216.505 Ordering.

216.505-70 Orders under multiple award contracts.

216.506 Solicitation provisions and contract clauses.

#### Subpart 216.6—Time-and-Materials, Labor-Hour, and Letter Contracts

216.601 Time-and-materials contracts.

216.603 Letter contracts.

216.603–2 Application. 216.603–3 Limitations.

216.603-4 Contract clauses.

#### Subpart 216.7—Agreements

216.703 Basic ordering agreements.

AUTHORITY: 41 U.S.C. 1303 and 48 CFR chapter 1.

SOURCE: 56 FR 36340, July 31, 1991, unless otherwise noted.

# Subpart 216.1—Selecting Contract Types

#### 216.102 Policies.

In accordance with section 811 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112–239), use of any cost-reimbursement line item for the acquisition of production of major defense acquisition programs is prohibited unless the exception at 234.004(2)(ii) applies.

[79 FR 4632, Jan. 29, 2014]

#### 216.104-70 Research and development.

Follow the procedures at PGI 216.104-70 for selecting the appropriate research and development contract type.

[71 FR 39007, July 11, 2006]

## Subpart 216.2—Fixed-Price Contracts

## 216.203 Fixed-price contracts with economic price adjustment.

#### 216.203-4 Contract clauses.

- (1) Generally, use the clauses at FAR 52.216–2, Economic Price Adjustment—Standard Supplies, FAR 52.216–3, Economic Price Adjustment—Semistandard Supplies, and FAR 52.216–4, Economic Price Adjustment—Labor and Material, only when—
- (i) The total contract price exceeds the simplified acquisition threshold; and
- (ii) Delivery or performance will not be completed within 6 months after contract award.
- (2) Follow the procedures at PGI 216.203-4 when using an economic price adjustment clause based on cost indexes of labor or material.

[71 FR 39007, July 11, 2006]

### 216.203-4-70 Additional provisions and clauses.

(a) Price adjustment for basic steel, aluminum, brass, bronze, or copper mill products. (1)(i) The price adjustment clause at 252.216–7000, Economic Price Adjustment—Basic Steel, Aluminum, Brass, Bronze, or Copper Mill Products, may be used in fixed-price supply solicitations and contracts for basic steel, aluminum, brass, bronze, or copper mill products, such as sheets, plates, and bars, when an established catalog or market price exists for the particular product being acquired.

(ii) The 10 percent figure in paragraph (d)(1) of the clause shall not be exceeded unless approval is obtained at a level above the contracting officer.

(2) Use the price adjustment provision at 252.216-7007, Economic Price Adjustment—Basic Steel, Aluminum, Brass, Bronze, or Copper Mill Products—Representation, in solicitations that include the clause at 252.216-7000, Economic Price Adjustment—Basic